

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA : CRIMINAL NO. 3:CR-
: :
v. : (Judge)
: :
PETER J. CAPITANO, :
Defendant : (Electronically Filed)

INFORMATION

Count One
18 United States Code, § 1347(a)(2)
(Health Care Fraud)

THE UNITED STATES ATTORNEY CHARGES:

INTRODUCTION

1. The defendant, Peter J. Capitano, is a licensed pharmacist and owner and operator of Capitano's Pharmacy located at 821 South Main Street, Suite #1, Old Forge, Pennsylvania.
2. Blue Cross of Northeastern Pennsylvania (BCNEPA) is a "health care benefit program" that offers health care coverage options, including prescription plans, for members throughout Northeastern Pennsylvania and surrounding areas. BCNEPA has multiple offices

located within the Middle District of Pennsylvania, including Wilkes-Barre, Pennsylvania.

3. BCNEPA is a health care benefit program as defined in Title 18, United States Code, Section 24(b), in that it is any public or private plan or contract, affecting commerce, under which any medical benefit, item, or service is provided to any individual, and includes any individual or entity who is providing a medical benefit, item, or service for which payment may be made under the plan or contract.

4. At all times material to this information, BCNEPA received, processed, and paid insurance claims submitted to BCNEPA by suppliers of services.

5. The Pennsylvania Medicaid Program is a “healthcare benefit program” as defined by Title 18 U.S.C. § 24(b) in that it provides payment for health care services on behalf of eligible low-income individuals with limited income and high medical expenses.

6. The Pennsylvania Medicaid Program is jointly funded by the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services and the Commonwealth of

Pennsylvania.

7. At all times material to this information, the defendant, a licensed pharmacist, provided services to individual customers who were participants in BCNEPA and Medicaid health care benefit programs. The defendant submitted insurance claims to BCNEPA and Medicaid for payment of services rendered and alleged services rendered.

Scheme to Defraud

8. From in or about January 2007 through August 2013, in the Middle District of Pennsylvania and elsewhere, the defendant, Peter J. Capitano, devised and intended to devise a scheme and artifice to defraud and to obtain money and property by means of false and fraudulent pretenses, representations and promises, well knowing at the time that such pretenses, representations and promises were false and fraudulent when made.

9. The purpose and object of the scheme and artifice was to obtain money fraudulently from funds provided under BCNEPA and Medicaid health care benefit programs.

10. It was part of the scheme and artifice to defraud that the defendant submitted claims or had those claims submitted to BCNEPA and to Medicaid seeking payment from those health benefit providers for drugs allegedly prescribed to the named insured when, in fact, those prescriptions did not exist.

11. It was part of the scheme and artifice to defraud that the defendant submitted claims or had those claims submitted to BCNEPA and to Medicaid seeking payment from those health benefit providers for prescription drugs that were, in fact, not provided to the named insured.

12. On or about January 2007 through August 2013, in the Middles District of Pennsylvania and elsewhere, the defendant,

PETER J. CAPITANO

knowingly and willfully executed and attempted to execute a scheme and artifice to defraud, by means of materially false and fraudulent pretenses, representations, and promises, to obtain money and property owned by and under the custody and control of Blue Cross of Northeastern Pennsylvania and Medicaid, health care benefit programs as defined in Title 18, United States Code, Section 24(b), in connection

with the payment and delivery of health care benefits, items, and services, in violation of Title 18, United States Code, Section 1347(a)(2).

1/28/14
Date


PETER J. SMITH
United States Attorney